

AMENDED IN SENATE JUNE 13, 2006

AMENDED IN SENATE AUGUST 22, 2005

AMENDED IN SENATE JUNE 21, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 1341

**Introduced by Committee on Environmental Safety and Toxic
Materials (Ruskin (Chair), Tran (Vice Chair), Chu,
De La Torre, Goldberg, Jerome Horton, and Strickland)**

February 22, 2005

An act to amend Section 44526 of, and to repeal and amend Section 44525.6 of, the Health and Safety Code, relating to community development, *and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1341, as amended, Committee on Environmental Safety and Toxic Materials. California Pollution Control Financing Authority: grants and loans.

Existing law, until January 1, 2007, authorizes the California Pollution Control Financing Authority to provide grants and loans, not to exceed \$5,000,000, to cities and counties deemed eligible by the authority, to assist in the development of various programs and policies to, among other things, reduce pollution hazards and the degradation of the environment, or promote infill development to revitalize communities. The authority is required, until that date, to annually report to the Legislature regarding the grant and loan program.

This bill would extend the operation of these provisions until January 1, 2012, and would increase the amount of the grants and loans under the program to \$7,500,000. It would also repeal an obsolete provision of law.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 44525.6 of the Health and Safety Code,
2 as added by Section 5 of Chapter 914 of the Statutes of 2000, is
3 repealed.

4 SEC. 2. Section 44525.6 of the Health and Safety Code, as
5 added by Section 5.5 of Chapter 914 of the Statutes of 2000, is
6 amended to read:

7 44525.6. (a) Commencing in 2002, and annually thereafter,
8 the authority shall submit a report to the Legislature regarding
9 the loan program described in subdivision (g) of Section 44526
10 describing the total amount of loans issued pursuant to
11 subdivision (g) of Section 44526 in the previous calendar year,
12 the amount of each loan issued, and a description of the programs
13 awarded funding.

14 (b) This section shall become operative only if Senate Bill
15 1986 of the 1999–2000 Regular Session is enacted after
16 Assembly Bill 779 of the 1999–2000 Regular Session and adds
17 subdivision (g) to Section 44526.

18 (c) This section shall remain in effect only until January 1,
19 2012, and as of that date is repealed, unless a later enacted statute
20 that is enacted before January 1, 2012, deletes or extends that
21 date.

22 SEC. 3. Section 44526 of the Health and Safety Code is
23 amended to read:

24 44526. The authority is authorized to do any of the following:

25 (a) To determine the location and character of any project to
26 be financed under the provisions of this division, to lend financial
27 assistance to any participating party, to construct, reconstruct,
28 renovate, replace, lease, as lessor or lessee, and regulate the
29 same, and to enter into contracts for the sale of any pollution

1 control facilities, including installment sales or sales under
2 conditional sales contracts, and to make loans to participating
3 parties to lend financial assistance in the acquisition,
4 construction, or installation of a project.

5 (b) To issue bonds, notes, bond anticipation notes, and other
6 obligations of the authority for any of its corporate purposes, and
7 to fund or refund the same, all as provided in this division.

8 (c) To fix fees and charges for pollution control facilities, and
9 to revise from time to time those fees and charges, and to collect
10 rates, rents, fees, and charges for the use of and for any facilities
11 or services furnished, or to be furnished, by a project or any part
12 thereof and to contract with any person, partnership, association,
13 corporation, or public agency with respect thereto, and to fix the
14 terms and conditions upon which any pollution control facilities
15 may be sold or disposed of, whether upon installment sales
16 contracts or otherwise.

17 (d) To employ and fix the compensation of bond counsel,
18 financial consultants, and advisers as may be necessary in its
19 judgment in connection with the issuance and sale of any bonds,
20 notes, bond anticipation notes, or other obligations of the
21 authority; to contract for engineering, architectural, accounting,
22 or other services of appropriate agencies as may be necessary in
23 the judgment of the authority for the successful development of
24 any project; and to pay the reasonable costs of consulting
25 engineers, architects, accountants, and construction experts
26 employed by any participating party if, in the judgment of the
27 authority, those services are necessary to the successful
28 development of any project, and those services are not obtainable
29 from any public agency.

30 (e) To receive and accept loans, contributions, or grants, ~~in~~ *of*
31 money, property, labor, or other things of value, for, or in aid of,
32 the authority in carrying out the purposes of this division, from
33 any source, including, but not limited to, the federal government,
34 the state, or any agency of the state, any local government or
35 agency thereof, or any nonprofit or for-profit private entity or
36 individual.

37 (f) To apply for, and accept, subventions, grants, loans,
38 advances, and contributions from any source, of money,
39 property, labor, or other things of value. The sources may
40 include, but are not limited to, bond proceeds, dedicated taxes,

1 state appropriations, federal appropriations, federal grant and
2 loan funds, public and private sector retirement system funds,
3 and proceeds of loans from the Pooled Money Investment
4 Account.

5 (g) To provide grants and loans to any city or county deemed
6 eligible by the authority. The grants and loans shall be used to
7 assist California neighborhoods suffering from high poverty or
8 unemployment levels, or from low-income levels, to assist cities
9 and counties in developing and implementing growth policies
10 and programs that reduce pollution hazards and the degradation
11 of the environment, or to promote infill development to revitalize
12 these communities. The grants and loans may be used to employ
13 the technical expertise necessary to identify, assess, and complete
14 applications for state, federal, and private economic assistance
15 programs that develop and implement sustainable development
16 and sound environmental policies and programs. Priority shall be
17 given to applicants lacking the resources to identify, assess, and
18 complete applications ~~for~~ to economic assistance, and for those
19 lacking the resources to develop and implement sustainable
20 growth and other sound environmental policies and programs.
21 The authority shall fund these grants and loans from any funds
22 available to the authority or set aside for the authority's
23 administrative expenses. The authority may not award more than
24 seven million five hundred thousand dollars (\$7,500,000) in
25 grants and loans pursuant to this subdivision. This subdivision
26 shall remain operative only until January 1, 2012.

27 (h) (1) To provide a loan directly, or indirectly through one or
28 more public or private sector intermediaries, to any city, county,
29 school district, redevelopment agency, financial institution, as
30 defined in subdivision (d) of Section 44559.1, for-profit or
31 not-for-profit organization, or participating party, as defined in
32 Section 44506, to assist in financing, among other things, the
33 costs of performing or obtaining brownfield site assessments,
34 remedial action plans and reports, technical assistance, the
35 cleanup, remediation, or development of brownfield sites, or any
36 other similar or related costs, subject to all applicable federal,
37 state, and local laws, procedures, and regulations.

38 (2) The authority shall establish standards and criteria to
39 ensure that a recipient of direct or indirect financing for cleanup
40 or remediation pursuant to this subdivision has the necessary

1 financial resources and expertise to successfully and
2 appropriately complete the cleanup or remediation of the
3 property.

4 (3) The authority may pay all, or a portion, of the associated
5 program development and implementation costs of any public or
6 private sector intermediaries through which a loan is made. A
7 loan authorized by this subdivision is subject to both of the
8 following:

9 (A) A loan may be used in connection with a brownfield site
10 prior to a determination of whether the site has a reasonable
11 potential for economically beneficial reuse.

12 (B) A loan may be made upon the terms determined by the
13 authority and may provide for any rate of interest or no interest.

14 (4) The authority shall fund a loan made pursuant to this
15 subdivision from any funds available to it, from any funds set
16 aside for the authority's administrative expenses, or from any
17 small business assistance fund established for these purposes
18 pursuant to Section 44548.

19 (5) The authority may waive repayment of all, or a portion, of
20 any loan made pursuant to this subdivision upon conditions to be
21 determined by the authority, and the amount so waived shall be
22 deemed a grant to the recipient.

23 (i) To do all things generally necessary or convenient to carry
24 out the purposes of this division.

25 *SEC. 4. This act is an urgency statute necessary for the*
26 *immediate preservation of the public peace, health, or safety*
27 *within the meaning of Article IV of the Constitution and shall go*
28 *into immediate effect. The facts constituting the necessity are:*

29 *In order to resolve crises in development planning for urban*
30 *communities and ameliorate further pollution associated with*
31 *urban growth, it is necessary that this act take effect*
32 *immediately.*